

In the Specification

Please amend the paragraph beginning at Page 3, Line 2, as follows:

Among other things, the present invention provides an exchange system and method according to which interests in entries in an activity may ~~be~~ be transferred between users. The entries, or interests therein, may be first distributed, for example, according to a lottery or an auction.

Please amend the paragraph beginning at Page 5, Lines 10-29, as follows:

These are examples only. The scope of the invention is intended to cover ~~any, suitable,~~ any suitable activities, entries, winning entries, events, parameters, etc. Activities may include, without limitation, any activity for which one or more winning entry may be determined. For example, activities may include sporting competitions, entertainment competitions, political elections, financial market performance, and the like. Entries may include teams, individuals, events, or any other designation for which one or more winning entries may be determined based on the outcome of the activity or the occurrence of an event associated with an activity. Parameters may include any parameter, event, condition, or the like that may impact the activity, the entry, or the distribution or exchange of entries. Parameters may be associated with users, entries, activities, or the exchange system, for example. Events may include any event for which a determination is made to take an action. The event may be the occurrence of an event within an activity, the end of an activity, a time, or the occurrence of a value associated with a parameter, for example. Actions include any actions required for the operation of the various described systems and methods. Actions may include, for example, distribution of entries, receipt or communication of buy and sell requests by users, matching of buy and sell requests, exchange of entries, payment and receipt of funds for the exchange of entries or any other service provided by the exchange systems and methods, determination and communication of exchange data and information, and payouts for winning entries.

Please amend the paragraph beginning at Page 5, Line 30 through Page 6, Line 5, as follows:

For entries to be exchanged, at least one entry must be distributed. In accordance with various embodiments, entries may be distributed by ~~an~~ a suitable method. For example, entries may be distributed according to a lottery, an auction, a sale, or any other similar process. Preferably, entries are distributed to users who may later participate in exchanging entries with one another, or with other users who did not receive entries during the distribution. A user may be an individual, a consortium, a company, a trust, a computer, or any other entity that may be associated with an entry.

Please amend the paragraph beginning at Page 11, Lines 8-16, as follows:

According to another embodiment, another type of initial distribution is the auction approach. This may be used as a substitute for the lottery approach, as an addition to the lottery approach, or as a substitute for/addition to any other distribution approach. According to the ~~lottery~~ auction approach, entries are auctioned off to the highest bidder prior (or according to any other criteria), preferably prior to the start of the activity. The amount someone is willing to pay for an entry is reflective of his view of that entry's chances of winning, in addition to the total value of the potential payout. After the closing of the auction, users may buy and sell entries as already described above.